



UNDER SECRETARY OF DEFENSE
1100 DEFENSE PENTAGON
WASHINGTON, DC 20301-1100

MAR 9 1999



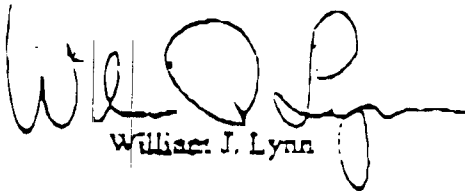
COMPTROLLER

MEMORANDUM FOR DIRECTOR, DEFENSE FINANCE AND ACCOUNTING SERVICE

SUBJECT: Prevalidation Threshold

In a memorandum dated December 17, 1998, I authorized a temporary \$500,000 threshold on new contracts paid by the Mechanization of Contract Administration Services (MOCAS) system. This temporary authorization is scheduled to expire on March 22, 1999. However, while the Defense Finance and Accounting Service Columbus Center has made significant improvements in the backlog of payments, we are not at the point where we can lower the threshold to \$2,500. Therefore, the temporary threshold of \$500,000 is extended for another 90 days for Columbus MOCAS payments only.

I request you continue to provide me with a monthly report showing progress in resolving the current prevalidation process delays. The monthly report should include your plan to lower the threshold at the appropriate pace to reach the goal of total prevalidation by July 2000. As we improve our systems capabilities, we will continue to aggressively reduce the threshold until all payments are prevalidated.


William J. Lynn